



AIR FORCE CONTRACTING NEWSLETTER

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DEDICATION DEVOTION SACRIFICE

Being on active duty with the United States Air Force often means sacrifice for your country. In the field of acquisition, personal risk is not usually a factor that we face in our working environment. However, the moment you deploy to support a contingency operation, the circumstances change.

On 25 Jun 96, 19 U.S. Air Force members lost their lives in the bombing attack on Khobar Towers in Dhahran, Saudi Arabia. These airmen, along with many others, were deployed to support the contingency operation in the Middle East. Among the airmen deployed to Dhahran, Saudi Arabia were seven enlisted Air Force contracting officers. One was among the 19 killed and another was severely injured. SSgt Ronald King, assigned to the 55th Contracting Squadron at Offutt AFB, NE, was in his room on the side of the building that faced the truck which blew up. The force of the explosion killed SSgt King instantly. This was to be his last Air Force assignment prior to retirement after 20 years of faithful service to his country. I attended his funeral service and delivered the Eulogy. SSgt King was an outstanding airman. During his last 11 years of active duty, SSgt King worked in the contracting career field. His contracting assignments took him to Nellis AFB, NV; Dhahran, Saudi Arabia (twice); Ankara Air Station, Turkey; and Offutt AFB, NE. SSgt King also served in three contingency operations: OPERATION DESERT SHIELD, OPERATION DESERT STORM, AND OPERATION SOUTHERN WATCH. In addition to his work assignments, SSgt King was active in his community, involved with his children's activities, and devoted to his family. He left behind a wife and two young children.

MSgt George Dyer was in another section of the same suite and fell six floors, along with debris from the explosion. MSgt Dyer suffered severe injuries and was later airlifted to the Ramstein AFB hospital, then to the hospital at Eglin AFB, FL. He is recovering from his injuries and is back on his job at the 15th Contracting Squadron at Hickam AFB, HI. MSgt Dyer is expected to make a full recovery.

In honor of SSgt King's outstanding service and in memory of his achievements, our annual Outstanding Contingency Contracting Award will be renamed "The SSgt Ronald L. King Outstanding Contingency Contracting Award." This highly coveted award will be presented to the most deserving Air Force officer, enlisted, or civilian member who has performed contingency contracting duties during the previous year. May we always be mindful of those who serve and sacrifice to defend our country.

(Signed)

TIMOTHY P. MALISHENKO, Brig Gen, USAF
Deputy Assistant Secretary (Contracting)
Assistant Secretary (Acquisition)

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Please Recycle!

ACQUISITION REFORM ACCELERATION DAY

The Office of the Secretary of Defense (OSD) leadership, after taking stock of some field feedback, believed that increased communications to DoD field units on acquisition reform was necessary, and directed an awareness acceleration day for all of DoD. Accordingly, all contracting activities within every MAJCOM participated in the Acquisition Reform Acceleration Day, on or before 31 May 96. At its conclusion, you submitted detailed feedback to us on what was working, what was not working, and suggestions for improvement. Our Contracting staff spent numerous hours reviewing the feedback and compiling a report to Dr.

Kaminski (complete report on the Air Force Contracting Home Page). This edition of the Newsletter reports the key issues sent forward to Dr. Kaminski from all DoD activities and highlights the issues you raised to us. It also communicates to you the status of what we or others are doing to resolve contracting issues and improve our contracting processes. Below is the Executive Summary prepared by Dr. Kaminski's staff of the Services' and other DoD Agency feedback from Acquisition Reform Acceleration Day, 31 May 1996:

The overwhelming response from the Army, Navy, Air Force and DLA was:

✓ **Air Force:** "Thank you for initiating this attention getting Acceleration Day. I look forward to continued success with our better way of doing business." Arthur L. Money, Assistant Secretary of the Air Force (Acquisition)

✓ **Army:** "Stand-Down Day was a great idea and we ought to do it again.... We have made a very good start --better than most of us believed possible." Gilbert F. Decker, Assistant Secretary of the Army (Research, Development and Acquisition)

✓ **Defense Logistics Agency:** "This event received very positive reviews by our field activities.... We appreciate DOD's continued leadership and communication of new reform efforts via satellite downlinks and training materials from the ARCC." VADM Edward M. Straw, Director

✓✓ **Defense Contract Management Command:** "We feel that our goal of providing our work force with a meaningful day on acquisition reform was accomplished.... This was a very positive experience for DCMC. We appreciate the opportunity.... Because of the positive response from our workforce, we want to continue to offer them information and maintain the momentum with acquisition reform acceleration-type activities in the field." Maj Gen Robert W. Drewes, Commander

✓ **Navy/Marine Corps:** "The overall positive response to the stand-down is reinforced by the amount of data returned in response to this survey.... Follow-on activities are underway across the DoN organization. For example, NAVSEA identified the need to accelerate change within their organization and has focused on acquisition reform every single day during the month of June." Alex Dean-Bennet, Director of Communications and Education, Acquisition Reform Office (ASN(RD&A))

✓ **Others: (Defense Mapping Agency)** "We are always looking for new solutions to 'old' problems and believe the acquisition stand-down has accomplished its mission." RADM J. J. Dantone, Jr.

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Honorable Shelia E. Widnall
Secretary of the Air Force

Timothy P. Malishenko, Brig Gen, USAF
Deputy Assistant Secretary (Contracting)
Assistant Secretary (Acquisition)

Ms. Susan Willard, Editor-in-Chief

Ms. Alisa Hope, Editor

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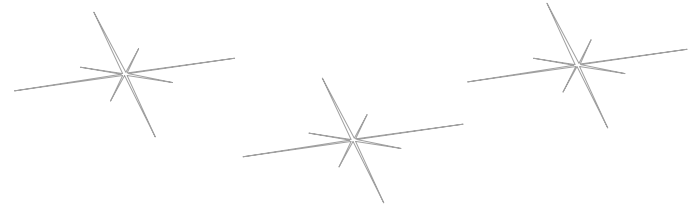
DoD ACQUISITION REFORM FEEDBACK

At the conclusion of acceleration day, organizations were asked to report acquisition reform initiatives that were working well and those that were not working well.

In general, the field organizations' responses differed *significantly* based on the fact that many initiatives were in the early stages of implementation, they felt it was too soon to tell, or they focused on other (supplemental) acquisition reform issues in place of the subjects that were to be addressed. Each of the Services/Agencies approached these two questions differently; therefore, one answer or any attempt to quantify the answers was not feasible.

In the majority of consolidated responses where issues were identified as not working well, there were comments on how the service/agency was addressing those individual issues.

In the summary, Dr. Kaminski selected the top issues from each of the Services/Agencies to provide a 'flavor' of what was presented as major points.



SERVICE/AGENCY	ACQUISITION REFORM INITIATIVES WORKING WELL	ACQUISITION REFORM INITIATIVES NOT WORKING WELL
AIR FORCE	<ul style="list-style-type: none"> ●FACNET (resulted in lower prices/ administrative lead time reduced) ●SAT procedures to include the use of IMPAC (streamlined the process) ●Commercial Items (exception to cost and pricing data streamlines the process) ●Past Performance (allows awards to be made to proven performers) 	<ul style="list-style-type: none"> ●FACNET and the EC/EDI architecture ●SAT procedures (problems with DFAS and lack of standard thresholds complicate the process) ●Commercial Items (using the SF 1449 and construction issues)
ARMY	<ul style="list-style-type: none"> ●Credit cards, SAT/SAP ●Commercial Items ●IPPTs/OIPTs/WIPTs ●CAIV ●MILSPECs and Standards Reduction 	<ul style="list-style-type: none"> ●EC/EDI, FACNET (single line item orders are okay, more complicated use was identified as a problem) ●Perception of a lack of empowerment to make necessary decisions
NAVY/MARINE CORPS	<ul style="list-style-type: none"> ●Specifications and Standards Reforms ●Acquisition Reform Legislation ●DoD 5000 Series 	<ul style="list-style-type: none"> ●EC/EDI Interface
DEFENSE LOGISTICS AGENCY (DLA)/ DEFENSE CONTRACT MANAGEMENT COMMAND (DCMC)	<ul style="list-style-type: none"> ●Implementation of EC/EDI has led to improved communication ●Move from military specification to use of commercial specifications ●Acquisition reform legislation (enhanced our ability to support our customers through faster response, reduced cost and more effective contract management) 	<ul style="list-style-type: none"> ●IPTs (use of IPT is inconsistent among buying offices) ●EC/EDI (lack of common systems, lack of up-to-date hardware and inconsistent availability of training were constraints to fully implementing EC/EDI)
DEFENSE INTELLIGENCE AGENCY (DIA)	<ul style="list-style-type: none"> ●Credit card program 	<ul style="list-style-type: none"> ●Electronic commerce system
ON-SITE INSPECTION AGENCY	<ul style="list-style-type: none"> ●Credit card (IMPAC) program ●Adoption of new business philosophies and SAP ●Adoption of new management philosophies of empowering our people 	<ul style="list-style-type: none"> ●Change in internal acquisition processes is a challenge ●Implementation of FACNET

DoD ACQUISITION REFORM FEEDBACK (CONT)

Given the responses submitted on the previous page, Services/Agencies were asked for their recommendations to improve the implementation of the acquisition reform initiatives.

Again, the field organizations differed in their approach to this question. Many preferred the term “acceleration opportunities” or challenges. Many dealt with ideas for specific Service/Agency local implementation and improvements. There was one common theme: the need for more training and information. Many stated that implementation of the reform initiatives will take time.

The following are some specific comments on five major issues that appeared to cause the most concern and were identified as **not working well . . .** and their recommendations for improvement.

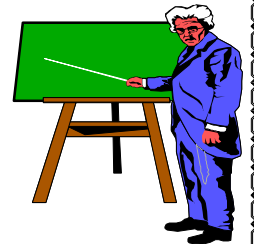
SENIOR MANAGEMENT INVOLVEMENT/EMPOWERMENT

- Continue the top management support of reform efforts. Progress in implementing the changes to date can be directly attributed to the level of senior level interest.
- Encouragement of innovation fostering an attitude and expectation of acceptable risk taking--allowing small mistakes while promoting an atmosphere of trust and open communication.



TRAINING

- Train, train, train!
- Thorough and continuous training to support acquisition reform initiatives. More tools need to be provided to enable attendees to return to their activities and provide training to other employees. In addition, a vehicle is needed for education of contractors on acquisition reform initiatives.
- Local management must encourage their people to get the available training.
- Acquisition organizations need more time to properly implement existing acquisition reforms, to include training of customers and contractors that are essential to success.
- Need to focus on cultural change--less on legislative changes.



EC/EDI/FACNET

- Look for a better way.
- Eliminate Value Added Networks (VANs) and Value Added Service components entirely; move directly to the use of Internet.



SIMPLIFIED ACQUISITION PROCEDURES

- Raise the thresholds.
- Reduce the approval level to contracting officer level in more instances.



INTEGRATED PRODUCT TEAMS (IPT)

- Require all parties to the acquisition process to “sign up” to the full implementation of acquisition reform initiatives.
- Provide special training to members (especially the chair) of newly formed IPTs.



Services/Agencies were asked to rate the value of the Acquisition Reform Acceleration Day, using a scale of 1 (Not At All Useful) to 5 (Extremely Useful). Many of the respondents did not address this question. Those that did, again, responded differently using different approaches, but rated the day high considering the timing issues.

Given the above, overall the day was rated at 3.7. In reviewing the documents it was noted that the “Field” had a tendency to rate the day in the 3-4 range. OSD was more likely to rate the day in the 4-5 range.